



**Joseph P. Herbst**  
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**VIA E-MAIL:** [regcomments@ncua.gov](mailto:regcomments@ncua.gov)

March 20, 2006

Mary F. Rupp  
Secretary of the Board  
National Credit Union Administration  
1775 Duke Street  
Alexandria, Virginia 22314-3428

Re: Sixth EGRPRA Notice

Dear Ms. Rupp:

Empire Corporate Federal Credit Union (Empire) is proud to count over 1,000 credit unions as members. Empire currently offers a wide array of services including, but not limited to, liquidity, correspondent, item processing, investment, and lending services.

Among other categories, the NCUA is seeking comment on ways in which the rules of Corporate Credit Unions may be outdated, unnecessary, or unduly burdensome.

**Corporate Credit Union Capital**

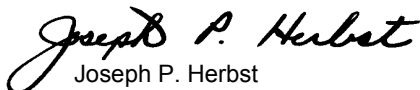
Capital is a foundation from which credit unions build the resources necessary to create and deliver the valuable products and services its members require and desire. Because of this, as well as the important function capital plays in the safety and soundness of the credit union movement, the issue of capital is of vital significance to Empire.

Maintaining the right amount of capital is a balancing act between retaining a level of capital sufficient to maintain safety and soundness and fulfilling the responsibility as a cooperative financial institution to meet the needs of its members. When a corporate has the right balance of capital based on its risk profile, a corporate credit union is stronger from a safety and soundness perspective and better positioned to effectively determine the amount of its earnings that should be available to enhance products, services and rates to its member credit unions.

Empire strongly supports a risk-based capital scheme for corporates and urges the NCUA to continue its dialogue with the corporate community concerning corporate capital requirements. Empire will continue to support the process and offers its assistance.

Empire thanks the NCUA for the opportunity to share its views on corporate credit union regulations. If you have any questions regarding our comments, please do not hesitate to contact me at 518-292-3801.

Sincerely,

  
Joseph P. Herbst  
Enclosure

cc: Mike Canning, Executive Director, ACCU  
Mike Carter, Regulatory Advocacy Coordinator, NYSCUL  
Kimberly Dewey, Associate Director, Regulatory Affairs, NAFCU